

District of British Columbia  
Division No. 03 - Vancouver  
Court No. B210455  
Estate No. 11-2772140

**IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY**

**FORM 40**

**In the Matter of the Division 1 Proposal of  
Legendary Developments (South Surrey) Ltd.**

**Report of Trustee on Proposal  
(Section 59(1) and paragraph 58(b) of the Act)**

We, MNP Ltd., of the City of Vancouver, Province of British Columbia, Trustee acting in the Proposal of Legendary Developments (South Surrey) Ltd., hereby report to the Court as follows:

1. That on October 6, 2021 Legendary Developments (South Surrey) Ltd. made a voluntary assignment in bankruptcy and MNP Ltd. was appointed as Licensed Insolvency Trustee of the Bankrupt Estate of Legendary Developments (South Surrey) Ltd. (the "Bankrupt Estate").
2. That at a properly called and duly constituted meeting of inspectors of the Bankrupt Estate it was resolved that the MNP Ltd. be authorized to file a Division 1 Proposal on behalf of the Bankrupt Estate.
3. That on January 4, 2022 MNP Ltd. in its capacity as the Licensed Insolvency Trustee of the Bankrupt Estate lodged with us a Division 1 Proposal, a copy of which is attached and marked as Exhibit "A", and that we filed a copy of the Proposal with the Official Receiver on January 6, 2022.
4. That on January 7, 2022, we gave notice to the Debtor, to the Superintendent of Bankruptcy and to every known creditor affected by the Proposal, whose names and addresses are shown in Exhibit "B" to this report, of calling of a meeting of creditors to be held on January 20, 2022 at 2:00 PM to consider the Proposal.
5. That with the notice was included a copy of the Proposal, a sworn Statement of Affairs from the Bankruptcy Proceedings, listing the creditors affected by the Proposal, a copy of the Report of Trustee, a form of proof of claim and proxy in blank and a voting letter. Copies of the notice, the statement of affairs, Cash-flow statement and Report of Trustee on Proposal are attached and marked as Exhibits "C1", "C2", "C3", and "C4", respectively.
6. That prior to the meeting of creditors we made a detailed and careful inquiry into the liabilities of the Debtor, the Debtor's assets and their value, the Debtor's conduct and the causes of the Debtor's insolvency.

7. That the first meeting of creditors was held on January 20, 2022 2:00 PM and was presided over by Greg Ibbott, CIRP, LIT, CPA, CA.
8. That at the first meeting of creditors, the Proposal was accepted by the required majority of creditors. A copy of the minutes of the first meeting of creditors is attached and marked as Exhibit "D".
9. That, on January 25, 2022, we gave notice to the Debtor, to the Superintendent of Bankruptcy and to all proven creditors whose names and addresses are shown in Exhibit "B" to this report, of the application of the Trustee for Court approval of the Proposal. A copy of the notice of the application of the Trustee for Court approval of the Proposal is attached and is marked as Exhibit "E".
10. That we are of the opinion that:
  - (a) The Debtor does not own any assets that are realizable by the Bankrupt Estate, and as such, there would not be any value derived from the Debtor's property.
  - (b) The liabilities of the Debtor are as detailed on the attached claims register marked as Exhibit "F".
11. That we are also of the opinion that:
  - (a) The debtor ceased operations in June 2019 which led to its inability to meet its obligations as they generally became due and to its insolvency.
  - (b) the conduct of the Debtor is not subject to censure.
  - (c) none of the facts mentioned in section 173 of the Act, may be proved against the Debtor.
12. That we are further of the opinion that the Debtor's Proposal is an advantageous one for the creditors, for the following reason:

The Debtor's Proposal should provide a greater return to creditors than may be expected in a bankruptcy, comparison attached and marked Exhibit "G".
13. That we forwarded a copy of this report to the Official Receiver on this day.

DATED at Vancouver, British Columbia this 25th day of January, 2022.

MNP Ltd. In its Capacity as Proposal  
Trustee of Legendary Developments  
(South Surrey) Ltd.

Per: Greg Ibbott, CIRP, LIT, CPA, CA

\_\_\_\_\_  
Trustee



# Exhibit "A"

No. 11-2772140  
Vancouver Registry  
Estate No. 11-2772140  
Province of British Columbia  
Bankruptcy Division

**IN THE SUPREME COURT OF BRITISH COLUMBIA**  
**IN BANKRUPTCY AND INSOLVENCY**  
**IN THE MATTER OF THE PROPOSAL OF**  
**LEGENDARY DEVELOPMENTS (SOUTH SURREY) LTD**  
**PROPOSAL TO CREDITORS**  
**January 4, 2022**

**ARTICLE 1**  
**DEFINITIONS**

In this Proposal, capitalized terms will have the meanings set out in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, save and except for the terms and definitions set out below:

- (a) **"Act"** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
- (b) **"Business Day"** means any day, other than a Saturday, a Sunday, or a statutory holiday in British Columbia;
- (c) **"Canada Pension Plan"** means the *Canada Pension Plan*, R.S.C. 1985, c. C-8, as amended;
- (d) **"Claim"** means any right or claim of any Person in the bankruptcy of the Debtor in connection with any indebtedness, liability or obligation or any kind whatsoever of the Debtor owed to such Person and any interest accrued thereon or costs, fees or other amounts in respect thereof, whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any claim in the bankruptcy of the Debtor arising from or caused by the repudiation by the Debtor of any contract, lease or other agreement, whether written or oral, the commission of a tort (intentional or unintentional), any breach of duty (legal, statutory, equitable, fiduciary or otherwise), any right of ownership or title to property, employment, contract, a trust or deemed trust, howsoever created, any claim in the bankruptcy of the Debtor through any affiliate, or any right or ability of any Person to advance a claim in the bankruptcy of the Debtor for contribution or indemnity or otherwise with respect to any grievance, matter, action, cause or chose in action, whether existing at present or commenced in the future, in each case based in whole or in part on facts which existed on the Date of Bankruptcy or which would, if unsecured, constitute a claim provable in the bankruptcy of the Debtor within the meaning of the Act. For

greater certainty, Claims include any Claim of a Creditor that holds security against the assets of the Debtor;

- (e) **"Claims Bar Date"** has the meaning given to it in paragraph 5.1;
- (f) **"Court"** means the Supreme Court of British Columbia in Bankruptcy and Insolvency and will have such extended meaning as is set out in section 2 of the Act;
- (g) **"Court Approval Date"** means the date on which the Court approves this Proposal;
- (h) **"Creditor"** means any Person having a Claim and may, if the context requires, mean a trustee, receiver, receiver-manager or other Person acting on behalf or in the name of such Person;
- (i) **"Creditors' Meeting"** means the meeting of the Creditors as outlined in Article 6;
- (j) **"Date of Bankruptcy"** means October 6, 2021;
- (k) **"Debtor"** means Legendary Developments (South Surrey) Ltd.;
- (l) **"Director"** means any person who is, has previously been, or in future may be a director of the Debtor;
- (m) **"Disputed Claim"** means any Claim which has been received by the Proposal Trustee in accordance with the terms of this Proposal and the Act but has not been accepted as proven or which is being disputed in whole or in part by the Debtor, the Proposal Trustee or any other person entitled to do so and has not been resolved by agreement or by order of the Court.
- (n) **"Effective Date"** means the date on which all conditions precedent to this Proposal have been satisfied or waived (as applicable);
- (o) **"Employees"** means natural persons employed by the Debtor at or prior to the date of this Proposal.
- (p) **"Employment Insurance Act"** means the *Employment Insurance Act*, S.C. 1996, c. 23;
- (q) **"Income Tax Act"** means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp), as amended;
- (r) **"Notice of Final Dividend"** means the notice made pursuant to section 149 of the Act to be sent by the Proposal Trustee to all known Persons having a Claim that have not yet filed a Proof of Claim with the Trustee or the Proposal Trustee, advising such Creditors that if their Claims are not proven within a period of 30 days after the sending of the notice, the Proposal Trustee will proceed to declare a dividend or final dividend without regard to that Creditor's Claim;

- (s) **"Officer"** means any person who is, has previously been, or in future may be an officer of the Debtor;
- (t) **"Person"** means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government, or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (u) **"Preferred Creditors"** means Creditors with Proven Claims which are required by the Act to be paid in priority to all other Claims under a proposal by a debtor (but only in respect of and to the extent of such Proven Claims) and including, without limitation:
  - (i) Employees and former Employees of the Debtor, not to include independent commissioned sales agents or contractors, for amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(d) of the Act on the Date of Bankruptcy, as well as wages, salaries, commissions or compensation for services rendered after that date and before the Court approval of the Proposal, together with, in the case of travelling salespersons, disbursements properly incurred by those salespersons in and about the Debtor's businesses during the same period;
  - (ii) Her Majesty in Right of Canada or a Province for all amounts that were outstanding at the Date of Bankruptcy and are of a kind that could be subject to a demand under,
    - (A) Subsection 224(1.2) of the *Income Tax Act*;
    - (B) any provision of the Canada Pension Plan or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts; or
    - (C) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
      - (I) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or
      - (II) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation

establishes a "provincial pension plan" as defined in that subsection;

- (v) **"Proof of Claim"** means a proof of claim or proof of security, as applicable, required by the Act to be mailed to each known Creditor prior to the Creditors' Meeting and, for greater certainty, includes all Proofs of Claim filed by creditors in connection with the bankruptcy of the Debtor;
- (w) **"Proposal"** means this Proposal dated January 4, 2022 made pursuant to the Act, as amended or supplemented from time to time;
- (x) **"Proposal Approval Order"** means the order of the Court approving this Proposal, in form and substance satisfactory to the Debtor;
- (y) **"Proposal Fund"** means the sum of \$700,000 to be advanced by the Proposal Sponsor to the Proposal Trustee in accordance with paragraph 3.1;
- (z) **"Proposal Sponsor"** means Essence Properties Inc.;
- (aa) **"Proposal Trustee"** means MNP Ltd, in its capacity as the proposal trustee of the Debtor.
- (bb) **"Proven Claim"** means the amount of the Claim of any Creditor finally determined in accordance with the provisions of the Act;
- (cc) **"Proven Creditor"** means a Creditor with a Proven Claim;
- (dd) **"Superintendent's Levy"** means the levy exigible on certain amounts distributed by the Proposal Trustee under this Proposal in accordance with section 147 of the Act; and
- (ee) **"Trustee"** means MNP Ltd. In its capacity as licensed insolvency trustee of the estate of the Debtor, or any successor.

## 1.2 Articles of Reference

The terms "hereof", "hereunder", "herein" and similar expressions refer to this Proposal and not to any particular article, section, subsection, clause or paragraph of this Proposal and include any agreements supplemental hereto. In this Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of this Proposal.

## 1.3 Interpretation Not Affected by Headings

The division of this Proposal into articles, sections, subsections, clauses or paragraphs and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Proposal.

#### **1.4 Date for Any Action**

In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

#### **1.5 Time**

All times expressed herein are local time in Vancouver, British Columbia, Canada unless otherwise stipulated. Where the time for anything pursuant to this Proposal on a particular date is unspecified the time will be deemed to be 5:00 pm local time in Vancouver, British Columbia, Canada.

#### **1.6 Numbers**

In this Proposal, where the context requires, a word importing the singular number will include the plural and *vice versa* and a word or words importing gender will include all genders.

#### **1.7 Currency**

Unless otherwise stated herein, all references to currency in this Proposal are to the lawful money of Canada ("CAD").

Any Claim in a foreign currency will be converted to CAD at the daily exchange rate published by the Bank of Canada on the Date of Bankruptcy.

#### **1.8 Statutory References**

Except as otherwise provided herein, any reference in this Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

#### **1.9 Successor and Assigns**

This Proposal will be binding on and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in this Proposal.

### **ARTICLE 2 GENERAL INTENT**

#### **2.1 Purpose of Proposal**

The purpose of this Proposal is to obtain the funds from the Proposal Sponsor to settle and compromise the Claims on a fair and equitable basis in accordance with the Act, and to achieve a recovery superior to what Creditors would otherwise attain. Once this Proposal has been fully performed, the bankruptcy of the Debtor will be annulled.

As the Debtor has no assets, all Claims are treated as unsecured notwithstanding certain Creditors may hold security over the assets of the Debtor.



## **2.2 Overview of Proposal**

This Proposal provides for the compromise of the Claims of the Creditors. The Creditors will receive a *pro rata* distribution from the Proposal Fund as set out herein. In order to effect this Proposal, the Debtor has reached an agreement with the Proposal Sponsor for the Proposal Sponsor to advance the Proposal Fund to the Proposal Trustee. Once this Proposal has been fully performed, the bankruptcy of the Debtor will be annulled.

## **2.3 Persons Affected**

This Proposal will, as of the Effective Date, be binding on the Debtor and on all Creditors, including the Crown, to whom this Proposal is made.

### **ARTICLE 3 THE PROPOSAL FUND**

#### **3.1 Proposal Fund**

The Proposal Sponsor has agreed to advance the Proposal Fund as a loan to the Debtor to be secured by, *inter alia*, a general security agreement and a pledge of the shares in the Debtor by the shareholder of the Debtor. The Proposal Trustee will establish a segregated, non-interest bearing trust account to hold the Proposal Fund. All amounts comprising the Proposal Fund will be delivered to the Proposal Trustee, and will be held by the Proposal Trustee, in trust, pending distribution to Creditors.

### **ARTICLE 4 CLASSIFICATION AND TREATMENT OF CREDITORS**

#### **4.1 Classes of Creditors**

For the purposes of voting on the Proposal, the Creditors will be composed of one class of Creditors, being those with Claims. All Claims will be treated as unsecured notwithstanding a Creditor may hold security over the assets of the Debtor.

#### **4.2 Fees of the Proposal Trustee**

The fees and disbursements of the Proposal Trustee in the preparation and administration of this Proposal including any legal fees (the "**Proposal Trustee's Fees**") will be paid from the Proposal Fund in full in priority to all other Proven Claims, including the Proven Claims of the Preferred Creditors. The Proposal Trustee may take advances of the Proposal Trustee's Fees, subject to final taxation by the Court.

#### **4.3 Preferred Creditors**

The Proven Claims of the Preferred Creditors are to be paid by the Proposal Trustee from the Proposal Fund in full in priority to all other Proven Claims except the Proposal Trustee's Fees in accordance with the scheme of distribution set forth in the Act.

#### 4.4 Treatment of Creditors

Each Creditor will receive a distribution equal to their *pro rata* share of the Proposal Fund based on their Proven Claim, after distribution in accordance with paragraph 7.1.

### ARTICLE 5 PROCEDURE FOR VALIDATION OF CLAIMS

#### 5.1 Filing of Proofs of Claim

In order to vote on, or to receive a distribution under, this Proposal, each Creditor must file a Proof of Claim in accordance with the Act and as instructed in the Proposal Trustee's mailing to the Creditors with respect to this Proposal.

To be eligible to receive a distribution in accordance with Article 9, Creditors must have filed a Proof of Claim such that it is actually received by the Proposal Trustee in accordance with the Act and by no later than the date that is thirty (30) days from the date on which the Proposal Trustee delivers the Notice of Final Dividend (the "Claims Bar Date").

**Creditors that fail to file their Proof of Claim with the Proposal Trustee before 5:00 p.m. on the Claims Bar Date will not be eligible for participation in the proposed distribution under this Proposal and their Claims will be forever barred as against the Debtor.**

#### 5.2 Valuing Claims

Upon receipt of a completed Proof of Claim, the Proposal Trustee will examine the Proof of Claim and will deal with each claim in accordance with the provisions of the Act. The procedure for valuing Claims and resolving disputes with respect to such Claims will be as set forth in the Act and in this Proposal. The Debtor and the Proposal Trustee reserve the right to seek the assistance of the Court in:

- (a) valuing a Claim, if required, to ascertain the result of any vote on this Proposal or the amount payable or to be distributed to such Creditor under this Proposal; and
- (b) resolving any Disputed Claim.

#### 5.3 Set Off

The law of set-off will be applied to all Claims.

### ARTICLE 6 CREDITORS' MEETING

#### 6.1 Creditors' Meeting

The Proposal Trustee will hold the Creditors' Meeting in order for the Creditors to consider and vote upon this Proposal.

## **6.2 Time and Place of Creditors' Meeting**

Unless otherwise ordered by the Court, the Creditors' Meeting will be held at a time and place to be established by the Official Receiver, or the nominee thereof, and confirmed in the Proposal Trustee's notice of meeting to be mailed pursuant to the Act.

## **6.3 Conduct of Creditors' Meeting**

The Official Receiver or the nominee thereof will preside as the chair of the Creditors' Meeting and will decide all matters relating to the conduct of the Creditors' Meeting. The only Persons entitled to attend the Creditors' Meeting are those Persons, including the holders of proxies, entitled to vote at the Creditors' Meeting, and their respective legal counsel, if any, the Trustee, and the officers, directors, auditors and legal counsel of the Debtor, together with such representatives of the Proposal Trustee as the Proposal Trustee may appoint in its discretion, and such scrutineers as may be duly appointed by the chair of such meeting. Any other Person may be admitted on invitation of the chair of the Creditors' Meeting only.

## **6.4 Adjournment of Creditors' Meeting**

The Creditors' Meeting may be adjourned in accordance with section 52 of the Act.

## **6.5 Voting by Creditors**

To the extent provided for herein, each Creditor will be entitled to vote to the extent of the amount that is equal to their respective Proven Claim.

## **6.6 Voting by Creditors with Disputed Claims**

If a Creditor has a Disputed Claim and the amount of the Disputed Claim is not finally determined prior to the date of the Creditors' Meeting, that Creditor will be entitled to vote at the Creditors' Meeting on the portion of the Disputed Claim, if any, that has been accepted by the Proposal Trustee for voting purposes without prejudice to the rights of the Proposal Trustee, the Debtor, and that Creditor to have the quantum of the Disputed Claim finally determined.

## **6.7 Approval by Creditors**

In order that this Proposal be binding on all of the Creditors in accordance with the Act, it must first be accepted by the Creditors by a majority in number of the Proven Creditors who actually vote upon the Proposal (in person or by proxy or by voting letter) at the Creditors' Meeting, representing two-thirds in value of the Proven Claims of the Proven Creditors who actually vote upon the Proposal (in person or by proxy or by voting letter) at the Creditors' Meeting.

## **6.8 Appointment of Inspectors**

At the Creditors' Meeting, the Creditors may appoint up to five inspector(s) whose powers will be limited to:

- (a) advising the Proposal Trustee concerning any dispute which may arise as to the validity of Claims; and

- (b) advising the Proposal Trustee from time to time with respect to any other matter that the Proposal Trustee may refer to them.

Any decision, direction or act of the inspector(s) may be referred to the Court by the Proposal Trustee and the Court may confirm, reverse or modify the decision, direction or act and make such order as it thinks just.

The authority and term of office of the inspector(s) will terminate upon the discharge of the Proposal Trustee or such earlier time if the inspector(s) resign(s) by notifying the Proposal Trustee of such resignation in writing.

#### **ARTICLE 7 CONDITIONS PRECEDENT**

- 7.1 The performance of this Proposal will be conditional upon the fulfillment or satisfaction, or waiver by the Trustee (where applicable) of the following conditions:
- (a) the receipt by the Proposal Trustee of the Proposal Fund;
  - (b) the approval of this Proposal by the Creditors in accordance with paragraph 6.7; and
  - (c) the Proposal Approval Order being pronounced and entered and not having been successfully appealed, set aside, varied, stayed or waived, and all appeal periods having expired.

#### **ARTICLE 8 EVENTS OF DEFAULT**

- 8.1 The non-fulfillment, non-satisfaction or waiver of any conditions precedent in Article 7 will constitute a default under this Proposal for the purposes of section 62.1 of the Act and otherwise under this Proposal.

#### **ARTICLE 9 PROPOSAL TO CREDITORS**

- 9.1 The amount to be paid to the Creditors on account of their Proven Claims will be as set out in this section. The Creditors will accept the amounts set out herein in full satisfaction of their Claims and the Creditors will have no other recourse to any other property of the Trustee or the Debtor or against the Trustee or the Debtor otherwise. For greater certainty, this Proposal does not compromise or otherwise affect a Creditor's claim against a third party unless expressly stated herein, including without limitation a guarantor, indemnitor, and covenantor of the obligations of the Debtor.
- 9.2 The Proposal Trustee will remit payments (less the *pro rata* portion of the total amount of the Superintendent's Levy required by the Act to be paid in respect of such payments) to the Creditors from the Proposal Fund in the following manner and order of priority:
- (a) first, to the Proven Claims of the Preferred Creditors, without interest, to be paid in full in accordance with the provisions of paragraph 0. The Proven Claims

under subsection 224(1.2) of the *Income Tax Act* or similar act and legislation will be paid within six (6) months after the Court Approval Date; and

- (b) second, to the Creditors in accordance with paragraph 4.4.

**ARTICLE 10  
DIRECTORS AND OFFICERS OF THE DEBTOR**

- 10.1** Upon the filing of the Certificate of Full Performance provided for in section 65.3 of the Act, each and every Director and Officer will be released from any and all demands, claims, debts, judgments, liens, and other recoveries on account of any potential, contingent or actual statutory liability of whatsoever nature which any person may be entitled to assert against such Director or Officer as at the Date of Bankruptcy, including, without limitation, any and all Claims howsoever related to any obligations of the Debtor where the Director or Officer is or may be liable at law in their capacity as Director or Officer for the payment of such obligations, whether known or unknown, existing or hereafter arising, based in whole or in part on any act, omission, transaction, dealing or other occurrence existing or taking place prior to the Date of Bankruptcy or, with respect to any agreements of the Debtor that have been disclaimed, repudiated or terminated after the Date of Bankruptcy in whole or in part which exist prior to or at the time of such disclaimer, repudiation or termination.
- 10.2** Notwithstanding paragraph 10.1, nothing in this Proposal will release or discharge any Director from the exceptions set out in section 50(14) of the Act and paragraph 10.1 of this Proposal will be strictly interpreted so that it complies with section 50(13) of the Act.
- 10.3** Any release contemplated in paragraph 10.1 will not be obtained or be valid in case of any uncured default in the performance of this Proposal.

**ARTICLE 11  
APPLICATION OF SECTIONS 95-101 OF THE ACT**

- 11.1** Sections 95 to 101 of the Act and any provincial statute relating to preference, settlement, fraudulent conveyance or the like will not apply to any dealings by the Debtor during the period prior to the Date of Bankruptcy.

**ARTICLE 12  
PROPOSAL TRUSTEE**

- 12.1** MNP Ltd., in its capacity as proposal trustee, and not in its personal capacity, will be the Proposal Trustee under this Proposal and all monies payable under this Proposal will be paid over to the Proposal Trustee who will make payment of all distributions in accordance with the terms of this Proposal.
- 12.2** Any payments made by the Proposal Trustee to Creditors hereunder will be made by the Proposal Trustee net of any levies payable or due under the Act.
- 12.3** The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee will incur any obligations or liabilities in connection with this Proposal or in respect of the business activities or liabilities of the Debtor.

- 12.4 The Proposal Trustee, in such capacity, will have no liability whatsoever for the Claims arising before, on or after the Date of Bankruptcy.

**ARTICLE 13  
FULL PERFORMANCE OF PROPOSAL**

- 13.1 All obligations of the Debtor under this Proposal will commence as of the Effective Date. This Proposal will be fully performed upon full payment to the Proposal Trustee of the Proposal Fund in accordance herewith.
- 13.2 When this Proposal has been fully performed, the Proposal Trustee will issue to the Debtor and the Official Receiver the Certificate of Full Performance as provided for in section 65.3 of the Act, and at which time the bankruptcy of the Debtor will be annulled pursuant to section 61(1) of the Act. For greater certainty, the bankruptcy will not be annulled until all Claims have been fully compromised on the terms in this Proposal, and the Proposal has been fully performed.
- 13.3 During the currency of this Proposal and until the Certificate of Full Performance referred to in paragraph 13.2 is issued by the Proposal Trustee, the Debtor will remain a bankrupt under the Act.
- 13.4 Upon the issuance of the Certificate of Full Performance, all Persons will be deemed to have waived any and all defaults of the Debtor then existing or previously committed by the Debtor or caused by the Debtor, directly or indirectly, or non-compliance with any covenant, positive or negative, pledge, warranty, representation, term, provision, condition or obligation, express or implied, in any contract, credit document, purchase order, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and the Debtor arising from the bankruptcy of the Debtor, the filing of this Proposal, or the transactions contemplated by this Proposal.
- 13.5 The provisions of this Proposal will be binding on the Creditors and their respective heirs, executors, administrators, successors, and assigns.

**ARTICLE 14  
AMENDMENT OF PROPOSAL**

- 14.1 The Trustee may vary, amend, modify or supplement this Proposal at any and all meetings of the Creditors and at any time and from time to time before or, with leave of the Court, after the final meeting of the Creditors.
- 14.2 If there are any variations, amendments, modifications or supplements to this Proposal made at or prior to the final meeting of the Creditors held to consider this Proposal which the Proposal Trustee determines are for the general benefit of the Creditors, the Proposal Trustee will be entitled to approve such variations, amendments, modifications or supplements by exercising all voting rights its receives from Creditors who have voted in favour of this Proposal and by counting all "yes" votes and "no" votes which have not, to the time the variations, amendments, modifications or supplements are made, been changed, as "yes" votes and "no" votes for the amended or supplemental Proposal.

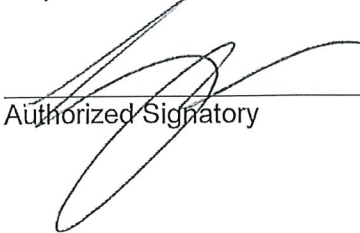
*[Signature page follows]*

DATED at the City of Vancouver, British Columbia this 4<sup>th</sup> day of January, 2022.

**MNP LTD., in its capacity as the Licensed  
Insolvency Trustee of the bankruptcy estate of  
LEGENDARY DEVELOPMENTS (SOUTH  
SURREY) LTD and not in its personal capacity**

Per:

\_\_\_\_\_  
Authorized Signatory



# Exhibit "B"



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## *Creditor Mailing List*

In the Matter of the Division 1 Proposal of  
Legendary Developments (South Surrey) Ltd.  
of the City of Surrey, in the Province of British Columbia

Creditor Type	Name	Attention	Address
Director	Gurdeep Dhaliwal		101-3993 Henning Drive Burnaby BC V5C 6P7 gordie@legendaryliving.ca
Unsecured	1177849 BC Ltd.	Sunny Singh	205 - 5481 Kingsway Burnaby BC V5H 2G1 sunnys11@hotmail.com
	Balbir & Vir & Chatraj & Ravandeep	Roger Dusanj	Kingsmen Capital 370-8029 199 Street Langley BC V2Y 0E2 roger@kingsmen-capital.com
	Chanelle Cruz Design Inc	Richelle Natt	15858 104th Avenue Surrey BC V4N 2J2 richellenatt@gmail.com
	Chatraj & Sarbjit Dosanj	Roger Dusanj	Kingsmen Capital 370-8029 199 Street Langley BC V2Y 0E2 roger@kingsmen-capital.com
	Harchand Sangha & Kamarjot Sangha	Henry Sangha	14889 75A Street Surrey BC V3S 0V1 henry.sangha@gmail.com
	Jitender Bhagirath & Prem Bhagirath	Jay Bhagriath	15341 Royal Avenue White Rock BC V4B 1M9 jay@oviedoproperties.com
	Majoris Investments Ltd.	Joseph Ng	Suite 1045-1185 West Georgia Street Vancouver BC V6E 4E6 jng@ergasgroup.com
	Metropoint	Maria McMillan	10325 150 Street Surrey BC V3R 4B1 maria.macmillan@richardslaw.com
	Ravandeep & Anjeet Dosanj	Roger Dusanj	Kingsmen Capital 370-8029 199 Street Langley BC V2Y 0E2 roger@kingsmen-capital.com
	Sarbjit Thind & Satinderpal Josan	Harpreet Judge	8387 154A Street Surrey BC V3S 4P1 harjeet.judge@sap.com
	Sukhvir & Jason Sidhu & Larry Heran	Jason Sidhu	13737 96 Ave #909 Surrey BC V3V 0C6 jason@citycentreleasing.com

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# Exhibit "C1"

District of: British Columbia  
Division No. 03 – Vancouver  
Court No. B210455  
Estate No. 11-2772140

FORM 92  
Notice of Proposal to Creditors  
(Section 51 of the Act)

In the matter of the proposal of  
Legendary Developments (South Surrey) Ltd.  
of the City of Surrey, in the Province of British Columbia

Take notice that Legendary Developments (South Surrey) Ltd. of the City of Surrey in the Province of British Columbia has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed.

A general meeting of the creditors will be held on the 20th day of January 2022 at 2:00 PM.

**The meeting will be convened solely via teleconference.**  
To attend the meeting please call the number below at the appointed time:  
1 (877) 252-9279 (conference ID: 994 078 66#).

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Please see the attached correspondence in relation to meeting details, requirements prior to the meeting, and conduct at the meeting.

Dated at the City of Vancouver in the Province of British Columbia, this 7th day of January 2022.

MNP Ltd. - Licensed Insolvency Trustee



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Suite 1600, MNP Tower, 1021 West Hastings Street  
Vancouver BC V6E 0C3  
Phone: (778)372-5384 Fax: (604) 904-8628  
[vancouverpbmail@mnp.ca](mailto:vancouverpbmail@mnp.ca)

## Exhibit "C2"

District of: British Columbia  
 Division No. 03 - Vancouver  
 Court No.  
 Estate No.

Original  Amended

-- Form 78 --  
 Statement of Affairs (Business Bankruptcy) made by an entity  
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)  
 In the Matter of the Bankruptcy of  
 Legendary Developments (South Surrey) Ltd.  
 of the City of Surrey, in the Province of British Columbia

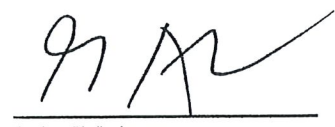
To the bankrupt:  
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 4th day of October, 2021. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A" .....	25,117,015.81	1. Inventory .....	0.00
Balance of secured claims as per list "B" .....	0.00	2. Trade fixtures, etc. ....	0.00
Total unsecured creditors .....	25,117,015.81	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B" .....	0.00	Good .....	0.00
3. Preferred creditors as per list "C" .....	0.00	Doubtful .....	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for .....	0.00	Bad .....	0.00
Total liabilities .....	25,117,015.81	Estimated to produce .....	0.00
Surplus .....	NIL	4. Bills of exchange, promissory note, etc., as per list "F" .....	0.00
		5. Deposits in financial institutions .....	0.00
		6. Cash .....	0.00
		7. Livestock .....	0.00
		8. Machinery, equipment and plant .....	0.00
		9. Real property or immovable as per list "G" .....	0.00
		10. Furniture .....	0.00
		11. RRSPs, RRIFFs, life insurance, etc. ....	0.00
		12. Securities (shares, bonds, debentures, etc.) .....	0.00
		13. Interests under wills .....	0.00
		14. Vehicles .....	0.00
		15. Other property, as per list "H" .....	0.00
		If bankrupt is a corporation, add:	
		Amount of subscribed capital .....	0.00
		Amount paid on capital .....	0.00
		Balance subscribed and unpaid .....	0.00
		Estimated to produce .....	0.00
		Total assets .....	0.00
		Deficiency .....	25,117,015.81

I, Gurdeep Dhaliwal, of the City of Burnaby in the Province of British Columbia, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 4 day of October, 2021 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED) 4th October  
 before me at the City of Vancouver in the Province of British Columbia, on this 29th day of September 2021.

  
**H. LANCE WILLIAMS**  
 Barrister & Solicitor  
 McCarthy Tétrault LLP  
 SUITE 2400 - 745 THURLOW STREET  
 VANCOUVER, B.C. V6E 0C5  
 DIRECT 604-643-7154

  
 Gurdeep Dhaliwal

District of: British Columbia  
 Division No. 03 - Vancouver  
 Court No.  
 Estate No.

FORM 78 -- Continued

List "A"  
 Unsecured Creditors

Legendary Developments (South Surrey) Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	1075472 B.C. Ltd.	1001-181 Athletes Way Vancouver BC V5Y 0E5	1.00	0.00	1.00
2	1177849 BC Ltd. Attn: Sunny Singh	205 - 5481 Kingsway Burnaby BC V5H 2G1	1,975,222.31	0.00	1,975,222.31
3	AEI Holding Corp.	1045-1185 West Georgia Street Vancouver BC V6E 4E6	1.00	0.00	1.00
4	Balbir & Vir & Chatraj & Ravandeep Attn: Roger Dusanj	Kingsmen Capital 370-8029 199 Street Langley BC V2Y 0E2	1,927,986.30	0.00	1,927,986.30
5	Chanelle Cruz Design Inc Attn: Richelle Natl	15859 104th Avenue Surrey BC V4N 2J2	1,323,174.62	0.00	1,323,174.62
6	Chatraj & Sarbjit Dosanj Attn: Roger Dusanj	Kingsmen Capital 370-8029 199 Street Langley BC V2Y 0E2	1,842,054.79	0.00	1,842,054.79
7	CRA - Tax - Pacific	Surrey National Verification and Collection Centre 9755 King George Blvd Surrey BC V3T 5E1	1.00	0.00	1.00
8	CTJ Investments Inc.	5300 Lancing Road Richmond BC V7C 3A1	1.00	0.00	1.00
9	Gurdeep Dhaliwal	PO Box 35035 RPO Fleetwood Postal Outlet Surrey BC V4N 9E9	2,715,554.77	0.00	2,715,554.77
10	Harchand Sanhga & Kamarjot Sangha Attn: Henry Sangha	14889 75A Street Surrey BC V3S 0V1	2,171,232.88	0.00	2,171,232.88
11	Jitender Bhagirath & Prem Bhagirath Attn: Jay Bhagriath	15341 Royal Avenue White Rock BC V4B 1M9	2,205,753.42	0.00	2,205,753.42
12	Majoris Investments Ltd. Attn: Joseph Ng	Suite 1045-1185 West Georgia Street Vancouver BC V6E 4E6	1,190,816.33	0.00	1,190,816.33
13	Metropoint Attn: Maria McMillan	10325 150 Street Surrey BC V3R 4B1	3,532,241.79	0.00	3,532,241.79
14	Ministry of Finance - PST - British Columbia	Station Provincial Government PO Box 9445 Victoria BC V8W 9V5	1.00	0.00	1.00
15	Ravandeep & Anjeet Dosanj Attn: Roger Dusanj	Kingsmen Capital 370-8029 199 Street Langley BC V2Y 0E2	1,916,808.22	0.00	1,916,808.22
16	Sarbjit Thind & Salinderpal Josan Attn: Harpreet Judge	8387 154A Street Surrey BC V3S 4P1	2,209,863.01	0.00	2,209,863.01
17	Sukhvir & Jason Sidhu & Larry Heran Attn: Jason Sidhu	13737 96 Ave #909 Surrey BC V3V 0C6	2,106,301.37	0.00	2,106,301.37
18	WorkSafeBC - Collections Department	PO Box 5350 Stn. Terminal Vancouver BC V6B 5L5	1.00	0.00	1.00
Total:			25,117,015.81	0.00	25,117,015.81

October 4, 2021

Date



Gurdeep Dhaliwal

District of: British Columbia  
Division No. 03 - Vancouver  
Court No.  
Estate No.


FORM 78 -- Continued

List "B"  
Secured Creditors

Legendary Developments (South Surrey) Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
			0.00			0.00	0.00	0.00
		Total:	0.00			0.00	0.00	0.00

October 4, 2021  
Date

  
Gurdeep Dhaliwal

District of: British Columbia  
Division No. 03 - Vancouver  
Court No.  
Estate No.


FORM 78 -- Continued

List "C"  
Preferred Creditors for Wages, Rent, etc.

Legendary Developments (South Surrey) Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

October 4, 2021  
Date

  
Gurdeep Dhaliwal



District of: British Columbia  
Division No. 03 - Vancouver  
Court No.  
Estate No.

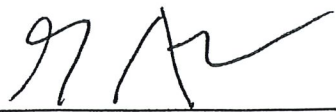
FORM 78 -- Continued

List "D"  
Contingent or Other Liabilities

Legendary Developments (South Surrey) Ltd.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

October 4, 2021  
Date

  
Gurdeep Dhaliwal

District of: British Columbia  
Division No. 03 - Vancouver  
Court No.  
Estate No.


FORM 78 -- Continued

List "E"  
Debts Due to the Bankrupt

Legendary Developments (South Surrey) Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
				0.00				
			Total:	0.00			0.00	
				0.00				

October 4, 2021  
Date

  
Gurdeep Dhaliwal

District of: British Columbia  
 Division No. 03 - Vancouver  
 Court No.  
 Estate No.

FORM 78 -- Continued

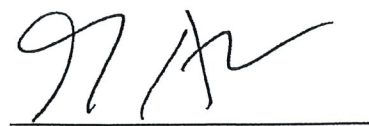
List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel  
 Mortgages, etc., Available as Assets

Legendary Developments (South Surrey) Ltd.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

October 4, 2021  
 Date

  
 Gurdeep Dhaliwal

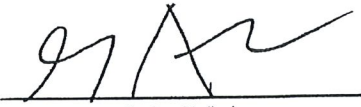
District of: British Columbia  
Division No. 03 - Vancouver  
Court No.  
Estate No.

FORM 78 -- Continued

List "G"  
Real Property or Immovables Owned by Bankrupt  
Legendary Developments (South Surrey) Ltd.

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

October 4, 2021  
Date

  
Gurdeep Dhaliwal

District of: British Columbia  
 Division No. 03 - Vancouver  
 Court No.  
 Estate No.

FORM 78 -- Concluded


List "H"  
 Property

Legendary Developments (South Surrey) Ltd.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other			0.00	0.00
			Total:	0.00

October 4, 2021  
 Date

  
 Gurdeep Dhaliwal

# Exhibit "C3"

B210455

In the Matter of the Proposal of Legendary Developments (South Surrey) Ltd.  
 Cash Flow Projection  
 For the Period of January 4, 2022 to April 5, 2022

Week Starting	Projection													
	Actual 04/Jan/22	Week 1 11/Jan/22	Week 2 18/Jan/22	Week 3 25/Jan/22	Week 4 01/Feb/22	Week 5 08/Feb/22	Week 6 15/Feb/22	Week 7 22/Feb/22	Week 8 01/Mar/22	Week 9 08/Mar/22	Week 10 15/Mar/22	Week 11 22/Mar/22	Week 12 29/Mar/22	Week 13 05/Apr/22
Opening Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Inflow	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proposal Sponsor Funding										700,000				
Total Cash Inflow	0	0	0	0	0	0	0	0	0	700,000	0	0	0	0
Cash Outflows										30,000				
Proposal Trustee's Fees														10,000
Dividend To Creditors														629,571
OSB Levy														31,429
Total Cash Outflow	0	0	0	0	0	0	0	0	0	30,000	0	0	0	670,000
Closing Cash Position	0	0	0	0	0	0	0	0	0	670,000	670,000	670,000	670,000	0

Dated at Vancouver, BC, this 4th day of January, 2022

Prepared by:  
 MNP Ltd., in its Capacity as Trustee of the  
 Bankrupt Estate of  
 Legendary Developments (South Surrey) Ltd.

Per: Greg Jibson, CRP, LIT, CPA, CA

Reviewed by:  
 MNP Ltd., in its capacity as Proposal Trustee of  
 Legendary Developments (South Surrey) Ltd.

Per: Greg Jibson, CRP, LIT, CPA, CA

This statement of projected cash flow was prepared in accordance with the provisions of the Bankruptcy and Insolvency Act, and should be read in conjunction with the attached Trustee's Report on Cash-Flow Statement.

# Exhibit "C4"



District of: British Columbia  
Division No. 03 - Vancouver  
Court No. B210455  
Estate No. 11-2772140

-- FORM 29 --  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of  
Legendary Developments (South Surrey) Ltd.  
of the City of Surrey, in the Province of British Columbia

The attached statement of projected cash flow of Legendary Developments (South Surrey) Ltd., as of the 4th day of January 2022, consisting of a Statement of Projected Cash Flow for the thirteen week period ending April 5, 2022, has been prepared by the MNP Ltd. as Licensed Insolvency Trustee of Legendary Developments (South Surrey) Ltd. for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person prior to the Company's bankruptcy or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

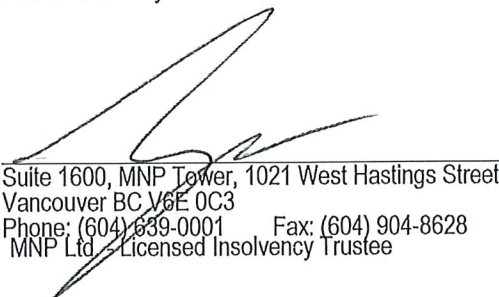
(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Vancouver in the Province of British Columbia, this 4th day of January 2022.



Suite 1600, MNP Tower, 1021 West Hastings Street  
Vancouver BC V6E 0C3  
Phone: (604) 639-0001 Fax: (604) 904-8628  
MNP Ltd. - Licensed Insolvency Trustee

District of: British Columbia  
Division No. 03 - Vancouver  
Court No.  
Estate No.

FORM 29 - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of  
Legendary Developments (South Surrey) Ltd.  
of the City of Surrey, in the Province of British Columbia

Purpose:

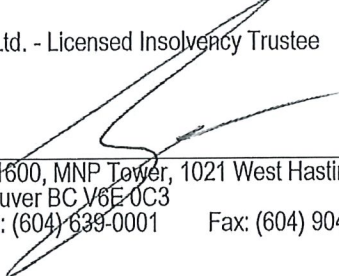
Section 50(6) of the Act requires that a Statement of Projected Cash Flow be filed when filing a Proposal under subsection 50(1) with the Official Receiver. The Statement of Projected Cash Flow has been prepared solely for the purpose of formulating a Proposal pursuant to Part III of the Act.

Projection Notes:

Hypothetical assumptions as defined in Standard of Professional Practice No. 5 of the Canadian Insolvency & Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purpose of the cash flow projection.

Dated at the City of Vancouver in the Province of British Columbia, this 4th day of January 2022.

MNP Ltd. - Licensed Insolvency Trustee



Suite 1600, MNP Tower, 1021 West Hastings Street  
Vancouver BC V6E 0C3  
Phone: (604) 639-0001 Fax: (604) 904-8628

# Exhibit "D"

Estate No. 11-2772140  
Court No. B210455  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF  
LEGENDARY DEVELOPMENTS (SOUTH SURREY) LTD.

DIVISION 1 PROPOSAL

MINUTES OF THE FIRST MEETING OF CREDITORS

MINUTES OF THE FIRST MEETING OF CREDITORS HELD VIA TELECONFERENCE ON THURSDAY, THE 20<sup>th</sup> DAY OF JANUARY, 2022 AT 2:00 PM AT THE OFFICE OF THE TRUSTEE LOCATED AT 1021 WEST HASTINGS STREET, SUITE 1600, VANCOUVER, BRITISH COLUMBIA.

Present: As per attendance list; which is attached hereto, and forms part of these minutes.

**CALL TO ORDER**

At 2:00 PM, Greg Ibbott declared the meeting properly called and a quorum being present, duly constituted.

Greg Ibbott then advised that he was acting as Chairperson (the “**Chairperson**”) of the meeting under authority of Section 105(1) of the *Bankruptcy and Insolvency Act* and that the following documents were maintained by the Trustee at its office and/or on the Trustee’s website:

- The Proposal Document;
- Certificate of Filing of a Proposal by a Bankrupt;
- Statement of Affairs;
- Trustee's Preliminary Report;
- Proof of Publication;
- Notice to Creditors of the Proposal and First Meeting of Creditors; and
- Affidavit of Mailing of Notice of First Meeting of Creditors.

The Chairperson explained that the purpose of the meeting was to consider the affairs of the debtor, to vote on the proposal, to affirm the appointment of the Licensed Insolvency Trustee (the “**Trustee**”) or appoint another Trustee, to appoint Inspectors, and to provide direction to the Trustee in respect of the administration of the Estate.

## **TRUSTEE'S PRELIMINARY REPORT TO CREDITORS**

The Chairperson reviewed the Trustee's Preliminary Report at the meeting (which is attached and forms part of these minutes) and advised the creditors that the Trustee's Preliminary Report and other documents were available for review on a website maintained by the Trustee for the bankruptcy proceedings.

## **QUESTION PERIOD**

The Chairperson asked the creditors if they had any questions for the Trustee or the director of Legendary Developments (South Surrey) Ltd.

Joseph Ng asked the Trustee how the creditors who did not vote would be treated. The Trustee responded that all creditors with proven claims would participate in an eventual distribution regardless of if they voted or not.

There were no further questions.

## **VOTING ON THE PROPOSAL**

The Chairperson moved to the vote on the proposal.

*IT WAS UNANEMOUSLY RESOLVED THAT* the proposal be approved.

## **AFFIRMATION OF APPOINTMENT OR SUBSTITUTION**

A motion was made by Joseph Ng and seconded by Henry Sangha that MNP Ltd. be affirmed in its appointment as Licensed Insolvency Trustee for the administration of the proposal proceedings.

*IT WAS UNANEMOUSLY RESOLVED THAT MNP Ltd. be affirmed in its appointment as Proposal Trustee.*

## **APPOINTMENT OF INSPECTORS**

The Chairperson informed the meeting of the duties of an Inspector and the eligibility requirements provided by the Act.

The Chairperson called for the nomination of candidates. Henry Sangha and Roger Dusanj offered to act as Inspectors for this estate. A motion to approve Henry Sangha and Roger Dusanj as inspectors to the estate was made by Joseph Ng and was seconded by Jitender Bhagirath.

*IT WAS UNANEMOUSLY RESOLVED THAT* Henry Sangha and Roger Dusanj be appointed as Inspector of the Estate.

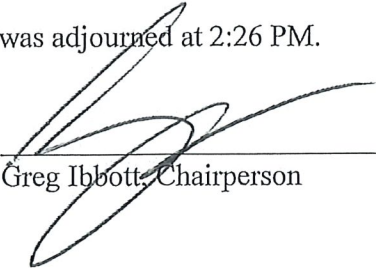
## **INSTRUCTIONS TO TRUSTEE**

Greg Ibbott asked the creditors if they had any specific instructions for the Trustee with respect to the administration of the estate.

There were no additional instructions given to the Trustee.

**ADJOURNMENT**

There being no further business on the agenda, the meeting was adjourned at 2:26 PM.



---

Greg Ibbott, Chairperson

**Attachments:**

Attendance List

Proposal Trustee's Preliminary Report to Creditors

Voting Summary



Industry Canada  
 Office of the Superintendent of  
 Bankruptcy

Industrie Canada  
 Bureau du Surintendant  
 des faillites

ATTENDANCE  
 LIST

LISTE DES  
 PRESENCES

Estate Number - N° de Pactif  
 11-2772140

Debtor and Representatives - Debitteur et Représentants

Legendary Developments (South Surrey) Ltd.  
 Per: Gurdeep (Gordie) Dhaliwal

Trustee and Representatives - Syndic et Représentants

MNP Ltd.  
 Per: Greg Ibbott & Seamus Boyle

Creditors present or represented - Créanciers présents ou représentés

NAME - NOM	REPRESENTING - REPRESENTÉ	AMOUNT Proven Claim MONTANT Reclamation prouvée
Roger Dosanj	Chatraj Dosanj and Sarbjit Dosanj, & Balbir & Vir & Chatraj & Ravandeep	\$1,842,054.79, \$1,927,986.30
Joseph Ng	Majoris Investments Ltd.	\$1,190,816.33
Harjeet Judge	Sarbjit Thind and Santinderpal Josan	\$2,504,685.22
Henry Sangha	Harchand Sangha and Kamarjot Sangha	\$2,171,232.88
Jay Bhagirath	Jitender and Prem Bhagirath	\$2,205,753.42
Forrest Finn	Legal Counsel for Debtor	N/A



COURT NO. B210455  
ESTATE NO. 11-2772140

VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY & INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF  
LEGENDARY DEVELOPMENTS (SOUTH SURREY) LTD.

PROPOSAL TRUSTEE'S REPORT TO CREDITORS

**BACKGROUND**

Legendary Developments (South Surrey) Ltd. ("**Legendary**" or the "**Debtor**") was incorporated on June 28, 2017 and is a real estate developer based in Surrey, British Columbia.

A corporate registry search dated July 27, 2021 indicated that the Debtor's sole Director is Gurdeep Dhaliwal (the "**Mr. Dhaliwal**" or the "**Director**").

The Director advises that Legendary ceased day-to-day operations in June 2019.

Legendary was unable to meet its obligations as they generally became due and made a voluntary assignment in bankruptcy (the "**Bankruptcy**") pursuant to the provisions of the *Bankruptcy and Insolvency Act* (the "**Act**") effective October 6, 2021 (the "**Date of Bankruptcy**"). MNP Ltd. was appointed Licensed Insolvency Trustee (the "**Trustee**") and was affirmed by the creditors at the first meeting of creditors. Harjeet Judge and Henry Sangha were appointed as inspectors (the "**Bankruptcy Inspectors**") at the first meeting of creditors.

With the approval of the Bankruptcy Inspectors, the Trustee filed a proposal to Legendary's creditors on January 4, 2022 (the "**Proposal**") and MNP Ltd. consented to act as Licensed Insolvency Trustee in the proposal proceedings (the "**Proposal Trustee**").

In preparing this Proposal Trustee's Report to Creditors (the "**Report**") and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, the Debtor's books and records, discussions with management and information from other third-party sources (collectively, the "**Information**"). Except as described in this Report, the Proposal Trustee has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with



(INCENTRIC)  
Best Employer  
CANADA 2019

LICENSED INSOLVENCY TRUSTEES  
SUITE 1600, MNP TOWER, 1021 WEST HASTINGS STREET, VANCOUVER, B.C. V6E 0C3  
1.877.363.3437 P: 604.639.0001 F: 604.904.8628 MNPdebt.ca



Generally Accepted Assurance Standards or other standards established by the Chartered Professional Accountants of Canada.

Capitalized terms used in the Report are the same as those referenced in the Proposal.

Unless otherwise stated herein, all references to currency are to Canadian currency.

## SUMMARY OF PROPOSAL

A summary and major terms of the Proposal are as follows:

- Acceptance of the Proposal by the creditors, approval of the Proposal by the Court, and full completion of the Proposal terms operates to annul the Bankruptcy and revert in the Debtor all the right, title and interest of the Trustee in the property of the Debtor.
- There will be one Class of Creditors for the purpose of considering and voting upon the Proposal.
- A Proposal Sponsor has agreed to advance the Proposal Fund totaling \$700,000.
- The Proposal Trustee's fees and expenses, and legal costs of the Proposal Trustee arising out of the Proposal shall be paid from the Proposal Fund in priority to the Claims of General Creditors.
- The Claims of all Creditors will be paid a distribution equal to their *pro rata* share of the Proposal Fund based on their Proven Claim
- Upon the Court Approval of the Proposal, the Proposal Trustee will issue 30 day notices to any known creditor that has not submitted their Claim. If a creditor does not submit and prove their Claim within 30 days after the sending of the notice, the Proposal Trustee will proceed to declare a dividend or final dividend without regard to that Creditor's Claim.
- The Proposal contains a provision that Claims against the Debtor's Director are compromised after the filing of the Certificate of Full Performance provided for in section 65.3 of the Act.
- The Proposal contains a provision that sections 95 to 101 of the Act and any provincial statute relating to preference, settlement, fraudulent conveyance or the like will not apply to any dealings by the Debtor during the period prior to the Date of Bankruptcy.

## OPERATIONS

As previously reported, the Debtor ceased day-to-day operations in June 2019 and will remain inactive until the Proposal is fully performed.

## **ASSETS**

According to the Statement of Affairs filed in the bankruptcy, the Debtor does not have any assets.

The Debtor's Director reported that the Debtor had accumulated tax losses of approximately \$14,000,000. The tax losses of a bankrupt corporation do not have any value and were therefore not reported on the Statement of Affairs. As of the date of this report, there has not been any changes with respect to the Company's assets.

## **LIABILITIES**

### **Secured Creditors**

The Proposal Trustee has not obtained an independent legal opinion on the validity or enforceability of the various security agreements and/or Claims of the various secured creditors discussed in the Report.

### *CRA*

The Director indicated that the Debtor does not have any employees. We do not anticipate a debt owing to CRA in relation to payroll withholdings.

Any debt owing to CRA for unremitted Goods and Service Tax at the Date of Bankruptcy will rank as a general, unsecured Claim. The Director advised that there is not any unpaid Goods and Service Tax and that all returns, and remittances are current.

### *Other Secured Creditors*

A Personal Property Registry search performed by the Trustee, dated July 27, 2021 showed that 1075472 B.C. Ltd, AEI Holding Corp., CTJ Investments Inc., and Majoris Investments Ltd. have registered security agreements against the Debtor. As previously reported the Debtor does not have any assets, therefore the estimated value of the security for each of the above-named creditors is \$0 and each of these debts have been classified as unsecured on the Statement of Affairs.

### *Preferred Creditors*

### **Employees**

Employees are preferred creditors pursuant to Section 136 of the *Bankruptcy and Insolvency Act*, and as such, their preferred Claims must be paid in full before any payments are made to the general unsecured creditors. Each employee's preferred Claim may not exceed \$2,000, relating to wages and vacation pay during the six-month period immediately preceding the initial date of filing. Amounts owing in excess of the

threshold or relate to a period more than six months prior to the Notice of Intention, are general unsecured Claims. Any Claims relating to severance or termination pay are general unsecured Claims.

The Trustee is not aware of any preferred amounts owing to former employees.

### **Unsecured Creditors**

The Statement of Affairs reports total unsecured creditors of \$25,117,016. However, Mr. Dhaliwal has advised the Proposal Trustee that he will not be making a claim for amounts showing owing to him of approximately \$2.7 million. Therefore, the total unsecured creditors that may submit claims is expected to be \$22,401,461.

Ultimately the amounts owing to the unsecured creditors will be based on proofs of Claim ("POC") filed and admitted by the Trustee. The Proposal allows that POC's filed by creditors in connection with the bankruptcy of the Debtor are included as filed in this Proposal. Creditors do not need to file again if they have filed their POC in the bankruptcy proceeding.

As of the date of this report ten proofs of Claim have been filed with the Proposal Trustee and represents approximately \$21,754,181 in total creditor Claims. There have been no significant differences between the Claims listed on the Statement of Affairs and the Claims filed with the Proposal Trustee to date.

### **CONDUCT OF THE DEBTOR**

#### *Preferences and Transactions at Under Value*

The Trustee reviewed various financial documents including the Company's trial balance and tax returns for the years ending 2019 and 2020. From the Trustee's review of the books and records, there were no preferential transactions or transactions at under value identified that would likely be challenged by a Trustee in Bankruptcy pursuant to the provisions of the *Bankruptcy and Insolvency Act*.

### **REMUNERATION OF THE PROPOSAL TRUSTEE**

The costs of administration pertaining to the Proposal Trustee's fees and disbursements and legal costs incurred in relation to the Proposal are a preferred Claim and will be paid from the Proposal Fund and will be subject to taxation by Court and approval of the Inspectors, if appointed.

The Proposal states that in the event no Inspectors are appointed, the Proposal Trustee may take advances of its Fees, subject to final taxation by the Court. If any Inspectors are appointed, they must approve any advances to the Proposal Trustee for fees, in accordance with the *Bankruptcy and Insolvency Act*.

Essence Properties Inc. provided the Trustee with a third party deposit in the amount of \$70,000 to cover the Trustee's professional fees for the administration of the bankruptcy process and as a retainer related to the proposal process.

#### **ESTIMATED REALIZATION – BANKRUPTCY vs. PROPOSAL**

The Proposal Trustee has prepared a Statement of Estimated Realization (the "Statement") which is attached as Schedule "A" to this Report and compares the estimated net realization in a bankruptcy versus proposal scenario. If the Proposal is not accepted by the creditors, the Debtor's bankruptcy will not be annulled.

Pursuant to the terms of the Proposal, \$700,000 will be paid into the Proposal Fund by the Proposal Sponsor and it is estimated that the creditors may receive a dividend of approximately 3%.

In a bankruptcy, the Trustee does not anticipate any proceeds to be realized and does not expect any realization for the Debtor's creditors.

#### **CONSEQUENCES OF NON-APPROVAL OF THE PROPOSAL**

If the Proposal is not accepted by the creditors, the Debtor's bankruptcy will be sustained. In a bankruptcy scenario we do not expect the creditors to receive a dividend.

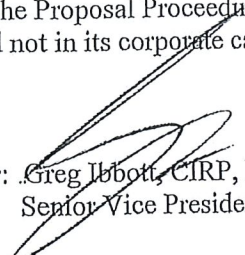
Accordingly, we recommend acceptance of this Proposal.

**DATED AT** the City of Vancouver, British Columbia this 7th day of January, 2022.

**MNP Ltd.**

In its capacity as Licensed Insolvency Trustee

In the Proposal Proceedings of Legendary Developments (South Surrey) Ltd.  
and not in its corporate capacity

Per:  Greg Ibbott, CIRP, LIT, CPA, CA  
Senior Vice President

In the Matter of the Proposal of  
 Legendary Developments (South Surrey) Ltd.

Statement of Estimated Realization (rounded)  
 Bankruptcy vs. Proposal

	Schedule "A"	
	Proposal	Bankruptcy
<b>ESTIMATED RECEIPTS</b>		
Asset Realization	\$ -	\$ -
Proposal Sponsor Funding	700,000	-
<b>Total Estimated Receipts</b>	<b>\$ 700,000</b>	<b>\$ -</b>
<b>ESTIMATED DISBURSEMENTS</b>		
Proposal Trustee's Fees	38,095	-
GST on Above	1,905	-
<b>Total Estimated Disbursements</b>	<b>\$ 40,000</b>	<b>\$ -</b>
<b>AVAILABLE FOR DISTRIBUTION</b>	<b>\$ 660,000</b>	<b>\$ -</b>
Secured Creditors		
Canada Revenue Agency	\$ -	\$ -
Secured Claims of Employees	-	-
Preferred Creditors	-	-
General Unsecured Creditors	660,000	-
	<b>\$ 660,000</b>	<b>\$ -</b>
<b>Estimated Claims of General Creditors</b>	<b>\$ 22,401,016</b>	<b>\$ 25,117,016</b>
<b>Estimated % Dividend (Note 1)</b>	<b>3%</b>	<b>0%</b>

Notes:

1. The estimated dividend does not take into account the 5% levy payable to the Superintendent of Bankruptcy which is payable on all dividends. The levy is payable in either a proposal or bankruptcy.
2. With no funds available from company assets in the Bankruptcy process, the Bankruptcy Trustee Fees are paid by way of Third Party Retainer.

In the Matter of the Proposal of  
 Legendary Developments (South Surrey) Ltd.  
 Voting Summary

Creditor Name	SOA Amount	Filed POC	Proxy	Proxy Appointed	POC Amount	Admitted	Claim Voted	Prorata Claim Value	Voted For/ Against
1075472 B.C. Ltd.	1.00	no	N/A		-	-	2,007,500.00	0%	
1177849 BC Ltd.	1,975,222.31	yes	yes	MNP Ltd.	2,007,500.00	-	2,007,500.00	11%	For
AEI Holding Corp.	1.00	no	N/A		-	-	-	0%	
Balbir & Vir & Chattraj & Ravandeep	1,927,986.30	yes	yes	Chattraj (Roger) Dusanj	1,927,986.30	1,927,986.30	1,927,986.30	10%	For
Chanelle Cruz Design Inc	1,323,174.62	yes	yes	MNP Ltd.	1,323,174.62	1,323,174.62	1,323,174.62	7%	For
Chattraj & Sarbjit Dossani	1,842,054.79	yes	yes	Chattraj (Roger) Dusanj	1,842,054.79	1,842,054.79	1,842,054.79	10%	For
CRA - Tax - Pacific	1.00	no	N/A		-	-	-	0%	
CTJ Investments Inc.	1.00	no	N/A		-	-	-	0%	
Gurdeep Dhaliwal	2,715,554.77	no	N/A		-	-	-	0%	
Harchand Sangha & Kamariot Sangha	2,171,232.88	yes	yes	Hariot (Henry) Sangha	2,171,232.88	2,171,232.88	2,171,232.88	12%	For
Jitender Bhagirath & Prem Bhagirath	2,205,753.42	yes	yes	MNP Ltd.	2,205,753.42	2,205,753.42	2,205,753.42	12%	For
Maroris Investments Ltd.	1,190,816.33	yes	yes	Jessph Ng	1,190,816.33	1,190,816.33	1,190,816.33	6%	For
Metropoint	3,532,241.79	yes	yes	Gurpinder Lally	3,617,999.62	3,617,999.62	3,617,999.62	19%	for
Ministry of Finance - PST - British Columbia	1.00	no	N/A		-	-	-	0%	
Ravandeep & Anjeet Dusanj	1,916,808.22	yes	no		1,916,808.22	1,916,808.22	1,916,808.22	0%	
Sarbjit Thind & Satinderpal Josan	2,209,863.01	yes	yes	Haneet Judge	2,504,685.22	2,504,685.22	2,504,685.22	13%	For
Sukhvir & Jason Sidhu & Larry Heran	2,106,301.37	yes	no		2,236,986.30	2,236,986.30	2,236,986.30	0%	
WorkSafeBC - Collections Department	1.00	no	N/A		-	-	-	0%	
	25,117,015.81				22,944,997.70	22,944,997.70	18,791,203.18	100%	

Summary of Voting Results	
% of Votes In favour by dollar value	100%
% of Votes against by dollar value	0%
% Votes In favour by # of creditor	100%
% Votes for against by # of creditors	0%
Result of Vote	Approved

# Exhibit "E"

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. B210455  
Estate No. 11-2772140

FORM 40.1  
Notice of Hearing of Application for Court Approval of Proposal  
(Paragraph 58(b) of the Act)

In the Matter of the Division 1 Proposal of  
Legendary Developments (South Surrey) Ltd.  
of the City of Surrey, in the Province of British Columbia

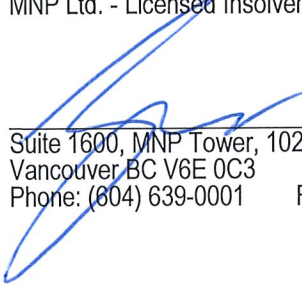
In Supreme Court of British Columbia - Vancouver.

In the matter of the proposal of Legendary Developments (South Surrey) Ltd., a debtor.

Take notice that an application will be heard before the presiding judge in chambers, at 800 Smithe Street, Vancouver, British Columbia, on the 14th day of February 2022, at 9:45 AM, to approve the proposal of Legendary Developments (South Surrey) Ltd., accepted by the creditors at a meeting held on the 20th day of January 2022.

Dated at the City of Vancouver in the Province of British Columbia, this 25th day of January 2022.

MNP Ltd. - Licensed Insolvency Trustee



Suite 1600, MNP Tower, 1021 West Hastings Street  
Vancouver BC V6E 0C3  
Phone: (604) 639-0001 Fax: (604) 904-8628



# Exhibit "F"

**MNP Ltd.****Claims Register**

In the Matter of the Division 1 Proposal of  
 Legendary Developments (South Surrey) Ltd.  
 of the City of Surrey, in the Province of British Columbia

Insolvency Date: 06-Oct-2021

Estate Number: 11-2772140

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank / Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>
<b>Unsecured creditors</b>						
1. 1075472 B.C. Ltd.	No	Not proved		1.00		
2. 1177849 BC Ltd. Attn: Sunny Singh	Yes	Admitted		1,975,222.31	2,007,500.00	2,007,500.00
3. AEI Holding Corp.	No	Not proved		1.00		
4. Balbir & Vir & Chatraj & Ravandeep Attn: Roger Dusanj	Yes	Admitted		1,927,986.30	1,927,986.30	1,927,986.30
5. Chanelle Cruz Design Inc Attn: Richelle Natt	Yes	Admitted		1,323,174.62	1,323,174.62	1,323,174.62
6. Chatraj & Sarbjit Dosanj Attn: Roger Dusanj	Yes	Admitted		1,842,054.79	1,842,054.79	1,842,054.79
7. CRA - Tax - Pacific	No	Not proved		1.00		
8. CTJ Investments Inc.	No	Not proved		1.00		
9. Gurdeep Dhaliwal	No	Not proved		2,715,554.77		
10. Harchand Sangha & Kamarjot Sangha Attn: Henry Sangha	Yes	Admitted		2,171,232.88	2,171,232.88	2,171,232.88
11. Jitender Bhagirath & Prem Bhagirath Attn: Jay Bhagriath	Yes	Admitted		2,205,753.42	2,205,753.42	2,205,753.42
12. Majoris Investments Ltd. Attn: Joseph Ng	Yes	Admitted		1,190,816.33	1,190,816.33	1,190,816.33
13. Metropoint Attn: Maria McMillan	Yes	Admitted		3,532,241.79	3,617,999.62	3,617,999.62
14. Ministry of Finance - PST - British Columbia	No	Not proved		1.00		
15. Ravandeep & Anjeet Dosanj Attn: Roger Dusanj	Yes	Admitted		1,916,808.22	1,916,808.22	1,916,808.22
16. Sarbjit Thind & Satinderpal Josan Attn: Harpreet Judge	Yes	Admitted		2,209,863.01	2,504,685.22	2,504,685.22
17. Sukhvir & Jason Sidhu & Larry Heran Attn: Jason Sidhu	Yes	Admitted		2,106,301.37	2,236,986.30	2,236,986.30
18. WorkSafeBC - Collections Department	No	Not proved		1.00		
<b>Total : Unsecured creditors</b>				<b>25,117,015.81</b>	<b>22,944,997.70</b>	<b>22,944,997.70</b>
				<b>Grand Total:</b>	<b>25,117,015.81</b>	<b>22,944,997.70</b>

# Exhibit "G"

In the Matter of the Proposal of  
 Legendary Developments (South Surrey) Ltd.

Statement of Estimated Realization (rounded)  
 Bankruptcy vs. Proposal

	Schedule "A"	
	Proposal	Bankruptcy
<b>ESTIMATED RECEIPTS</b>		
Asset Realization	\$ -	\$ -
Proposal Sponsor Funding	700,000	-
<b>Total Estimated Receipts</b>	<b>\$ 700,000</b>	<b>\$ -</b>
<b>ESTIMATED DISBURSEMENTS</b>		
Proposal Trustee's Fees	38,095	-
GST on Above	1,905	-
<b>Total Estimated Disbursements</b>	<b>\$ 40,000</b>	<b>\$ -</b>
<b>AVAILABLE FOR DISTRIBUTION</b>	<b>\$ 660,000</b>	<b>\$ -</b>
Secured Creditors		
Canada Revenue Agency	\$ -	\$ -
Secured Claims of Employees	-	-
Preferred Creditors	-	-
General Unsecured Creditors	660,000	-
	<b>\$ 660,000</b>	<b>\$ -</b>
<b>Estimated Claims of General Creditors</b>	<b>\$ 22,401,016</b>	<b>\$ 25,117,016</b>
<b>Estimated % Dividend (Note 1)</b>	<b>3%</b>	<b>0%</b>

**Notes:**

1. The estimated dividend does not take into account the 5% levy payable to the Superintendent of Bankruptcy which is payable on all dividends. The levy is payable in either a proposal or bankruptcy.
2. With no funds available from company assets in the Bankruptcy process, the Bankruptcy Trustee Fees are paid by way of Third Party Retainer.