



No. S222758

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,

R.S.C. 1985, c. C-36, AS AMENDED

– AND –

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF 0989705 B.C. LTD.,
ALDERBRIDGE WAY GP LTD., AND ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

**FIRST REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

April 7, 2022



ALVAREZ & MARSAL

NATDOCS\62392171\W-2

TABLE OF CONTENTS

1.0 INTRODUCTION..... - 1 -

2.0 PURPOSE - 1 -

3.0 TERMS OF REFERENCE..... - 1 -

4.0 INITIAL ACTIVITIES OF THE MONITOR..... - 2 -

5.0 ACTIVITIES OF THE PETITIONERS..... - 3 -

6.0 EXTENSION OF STAY OF PROCEEDINGS - 3 -

7.0 RECOMMENDATIONS - 4 -

1.0 INTRODUCTION

- 1.1 On April 1, 2022 (the “**Filing Date**”), Alderbridge Way Limited Partnership (the “**LP**”), Alderbridge Way GP Ltd. (the “**GP**”) and 0989705 B.C. Ltd. (“**098**”) (together, the “**Petitioners**” or “**Alderbridge**”) this Honourable Court granted an initial order (the “**Initial Order**”) in these proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (“**CCAA**”). Among other things, the Initial Order stayed all proceedings against the Petitioners from the Filing Date up to and including April 11, 2022 (the “**Stay Period**”) and appointed Alvarez & Marsal Canada Inc. (the “**Monitor**”) as monitor of Alderbridge during the CCAA Proceedings.
- 1.2 On April 6, 2022, the Petitioners filed an application (the “**Stay Extension Application**”) to extend the Stay Period to April 25, 2022 (the “**First Stay Extension**”).
- 1.3 Further information regarding the CCAA Proceedings, including the Initial Order, the petition, affidavits, notices of application, reports of the Monitor and all other court-filed documents and notices are available on the Monitor’s website at www.alvarezandmarsal.com/alderbridge (the “**Monitor’s Website**”).

2.0 PURPOSE

- 2.1 This report (the “**First Report**”) has been prepared by the Monitor to provide information to this Honourable Court in respect of the following:
- a) the initial activities of the Monitor;
 - b) the activities of the Petitioners since the commencement of the CCAA Proceedings; and
 - c) the Petitioners’ application for the First Stay Extension.

3.0 TERMS OF REFERENCE

- 3.1 In preparing this report, the Monitor has necessarily relied upon unaudited financial and other information supplied, and representations made to it, by certain senior management of Alderbridge (“**Management**”). Although this information has been subject to review, the Monitor has not conducted an audit nor otherwise attempted to verify the accuracy or completeness of any of the information prepared by Management or otherwise provided by the Petitioners. Accordingly, the Monitor expresses no opinion and does not provide any other form of assurance on the accuracy and/or completeness of any information contained in this report, or otherwise used to prepare this report.

- 3.2 Certain of the information referred to in this report consists of financial forecasts and/or projections prepared by Management. An examination or review of financial forecasts and projections and procedures as outlined by the Chartered Professional Accountants of Canada has not been performed. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from those forecasts and/or projected and the variations could be significant.
- 3.3 All monetary amounts contained in this First Report are expressed in Canadian dollars unless otherwise noted.

4.0 INITIAL ACTIVITIES OF THE MONITOR

- 4.1 As at the date of this report, the Monitor has conducted the following initial activities:
- a) Participated in discussions with Management and the Petitioners' counsel, Dentons Canada LLP ("**Dentons**"), in preparation for Alderbridge's initial filing;
 - b) Reviewed and assisted Management with preparation of the cash flow forecast for the period from March 26 to April 29, 2022 (the "**CCAA Cash Flow Forecast**");
 - c) Retained Fasken Martineau DuMoulin LLP to act as independent legal counsel to the Monitor;
 - d) Reviewed the draft initial application materials and provided comments to Dentons;
 - e) Provided assistance with respect to the quanta of the Administration Charge and the Directors' Charge (as defined in the Initial Order);
 - f) Reviewed and commented on the proposed interim financing facility and the Interim Financing Term Sheet (as defined in the Initial Order);
 - g) Set up the Monitor's Website and a designated email address for Alderbridge (alderbridge@alvarezandmarsal.com);
 - h) On April 6, 2022, distributed the notice to 50 known creditors, either by email or regular mail, in accordance with paragraph 63 of the Initial Order, a copy of which notice is attached hereto as Appendix A. Notices were not sent to parties who provided deposits to the Petitioners pursuant to presale contracts entered into with the Petitioners as such persons are not contemplated to be creditors of the Petitioners;
 - i) Published a notice to creditors in the Globe and Mail (national edition) that is scheduled to run on April 8, 2022 in accordance with paragraph 37 of the Initial Order;

- j) Filed statutory notices with the Office of the Superintendent of Bankruptcy in the prescribed forms as required under section 23(1)(f) of the CCAA;
- k) Communicated with and attended to various inquiries from trade creditors and other stakeholders, including the lienholders;
- l) Established various reporting protocols with Alderbridge, including but not limited to cash flow reporting;
- m) Considered the proposed Sales and Investment Solicitation Process (the “CCAA SISP”), discussed the CCAA SISP with stakeholders and requested marketing quotes from select sales agents; and
- n) Prepared this Monitor’s Report.

5.0 ACTIVITIES OF THE PETITIONERS

5.1 Since the granting of the Initial Order, the Petitioners have taken steps to notify their creditors and other stakeholders of these proceedings, and advance their restructuring under the CCAA. Those steps include, without limitation:

- a) responding to information requests from various stakeholders;
- b) meeting and working with the Monitor to facilitate the monitoring of the Petitioners’ business and establish various reporting protocols;
- c) continuing the operations of the Petitioners’ business, including maintaining the safety of the construction project at 7960 Alderbridge Way and 5333, 5411 No. 3 Road, Richmond, British Columbia;
- d) with the Petitioners’ counsel, continuing to meet with secured creditors and major stakeholders; and
- e) working with the Monitor to prepare and progress the CCAA SISP, including working with the Monitor to retain a sales agent to assist with the CCAA SISP.

6.0 EXTENSION OF STAY OF PROCEEDINGS

6.1 Pursuant to the Initial Order, the Stay Period will expire on April 11, 2022. The Petitioners are seeking an extension of the Stay Period to April 25, 2022.

6.2 The Monitor provided its comments in respect of Alderbridge’s liquidity and the CCAA Cash Flow Forecast in the Pre-Filing Report of the Proposed Monitor, and readers are directed to that report for additional details.

6.3 The Monitor supports the First Stay Extension for the following reasons:

- a) the Petitioners are scheduled to return to court on April 25, 2022, for an application for an order approving the CCAA SISP, among other relief. The extension of the Stay Period to that date will ensure the Petitioners continue to be afforded the benefits of the Initial Order pending that application;
- b) no creditor of the Petitioners would be materially prejudiced by the extension of the Stay Period; and
- c) the Petitioners have acted in good faith and with due diligence in these CCAA Proceedings since the date of the Initial Order.

7.0 RECOMMENDATIONS

7.1 The Monitor respectfully recommends that this Honourable Court grant the extension of the Stay Period to April 25, 2022.

All of which is respectfully submitted to this Honourable Court this 7th day of April, 2022.

**Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of Alderbridge
and not in its personal or corporate capacity**

Per: Anthony Tillman
Senior Vice President

Per: Pinky Law
Vice President