

Clerk's Stamp:

COURT FILE NUMBER 2001-00610  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF MCAP FINANCIAL CORPORATION  
DEFENDANT 1759255 ALBERTA LTD.  
DOCUMENT **APPLICATION BY MNP LTD., IN ITS CAPACITY AS COURT  
APPOINTED RECEIVER AND MANAGER OF 1759255 ALBERTA LTD.**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Field LLP  
400, 444 – 7 Avenue SW  
Calgary AB T2P 0X8  
Lawyer: Trevor Batty  
Phone Number: (403) 260-8537  
Fax Number: (403) 264-7084  
Email Address: tbatty@fieldlaw.com  
File No. 50432-56

**NOTICE TO RESPONDENTS: [listed in the service list attached as Schedule "B"]**

This application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Judge.

To do so, you must be in court when the application is heard as shown below:

Date: November 18, 2020  
Time: 10:00 a.m.  
Where: Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB T2P 5P7  
Before Whom: The Honourable Madam Justice C. Dario in Commercial Chambers

Go to the end of this document to see what else you can do and when you must do it.

**Remedy claimed or sought:**

1. The Applicant, MNP Ltd. ("**MNP**"), in its capacity as receiver and manager (the "**Receiver**") of 1759255 Alberta Ltd. ("**1759255**") seeks an Order, substantially in the form attached here to as Schedule "A" (the "**Discharge Order**");

- a. abridging the time for, and validating service of, this Application on the parties set out in the Service List attached here to as Schedule “B” and the materials filed in support of this Application, if necessary, and dispensing with service on any party not served;
- b. approving the actions, conduct and activities of the Receiver as outlined in the Receiver's Second Report, dated November 9, 2020 (the “**Second Report**”) and all of its other reports filed herein;
- c. approving the distribution of the funds in the Receiver's possession in accordance with the recommendation of the Receiver in the Second Report, free and clear of all claims, liens and encumbrances;
- d. approving MNP's Statement of Receipts and Disbursements as set out in the Second Report;
- e. approving MNP's accounts and the accounts of its independent legal counsel, inclusive of all accruals for the fees and disbursements of MNP and those of its legal counsel in connection with the completion of these proceedings, including costs of this Application, without the need for a formal assessment of its accounts;
- f. declaring that MNP has duly properly discharged its duties, responsibilities and obligations as Receiver;
- g. discharging and releasing MNP from any and all further obligations as Receiver and any and all liability in respect of any act done by MNP in these receivership proceedings, and its conduct as Receiver pursuant to its appointment in accordance with the Receivership Order (as defined below), or otherwise; and
- h. such further and other relief and directions as counsel may request and this Honourable Court may deem appropriate.

**Grounds for making this application:**

2. The grounds upon which the Applicant relies in making the within Application are as follows:
  - a. MNP was appointed as Receiver over certain property of 1759255 pursuant to a Receivership Order, dated March 4, 2020 (the “**Receivership Order**”);

- b. MNP has performed its mandate as Receiver under the Receivership Order and it is now appropriate that MNP be discharged as Receiver of 1759255;
- c. the reasons described in the Second Report; and
- d. such further and other grounds as counsel may advise and this Honourable Court may deem just.

**Material or evidence to be relied on:**

3. The Receiver intends to rely upon the following materials:
  - a. the Second Report and all previous reports filed by MNP in these receivership proceedings; and
  - b. such further and other materials as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

4. The Receiver will rely upon and refer to the Alberta *Rules of Court* during the making of the Application.

**Applicable Acts and Regulations:**

5. The Receiver will rely upon and refer to the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3.

**Any irregularity complained of or objection relied on:**

6. None.

**How the application is proposed to be heard or considered:**

7. Remotely in Commercial Chambers via Webex. The Webex login information is attached to the Service list at Schedule "B" hereto.

**WARNING:**

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the Applicant a reasonable time before the application is to be heard or considered.

**Schedule "A"**  
**Form of Order**

See attached.

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COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF MCAP FINANCIAL CORPORATION  
DEFENDANT 1759255 ALBERTA LTD.  
DOCUMENT **ORDER FOR FINAL DISTRIBUTION, APPROVAL OF RECEIVER'S FEES AND DISBURSEMENTS, APPROVAL OF RECEIVER'S ACTIVITIES AND DISCHARGE OF RECEIVER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Field LLP  
400, 444 – 7 Avenue SW  
Calgary AB T2P 0X8  
Lawyer: Trevor Batty  
Phone Number: (403) 260-8537  
Fax Number: (403) 264-7084  
Email Address: tbatty@fieldlaw.com  
File No. 50432-56

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 18, 2020  
**NAME OF JUSTICE WHO MADE THIS ORDER:** Madam Justice C. Dario  
**LOCATION OF HEARING:** Calgary, Alberta

**ORDER**

UPON THE APPLICATION of MNP Ltd. in its capacity as the Court-appointed receiver (the “**Receiver**”) of certain assets of 1759255 Alberta Ltd. (“**1759255**” or the “**Debtor**”) for an Order for the final distribution of proceeds, approval of the Receiver's fees and disbursements, approval of the Receiver's activities and discharge of the Receiver AND UPON having read the Receiver's Second Report, dated November 9, 2020 (the “**Receiver's Report**”); AND UPON hearing counsel for the Receiver, and counsel for any other interested parties; AND UPON being satisfied that it is appropriate to do so, IT IS ORDERED THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given;

2. The Receiver's accounts for fees and disbursements, as set out in the Receiver's Report are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel, Field LLP, for their fees and disbursements, as set out in the Receiver's Report are hereby approved without the necessity of a formal assessment of its accounts.
4. The Receiver is authorized and directed to pay any and all accounts of the Receiver and its legal counsel up to and subsequent to the date of this Order respecting accrued or accruing fees and disbursements.
5. The Receiver's activities as set out in the Receiver's Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as attached to the Receiver's Report, are hereby ratified and approved.
6. The Receiver is authorized and directed to make the distributions set out in the Receiver's Report.
7. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
8. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
9. Upon the Receiver filing with the Clerk of the Court a Receiver's Certificate, substantially in the form attached to this Order as Schedule "A", confirming that:
  - (a) All matters set out in paragraph 5 of this Order have been completed; and

(b) All other administrative matters set out in the Receiver's Report have been completed;

then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.

10. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
11. Service of this Order on any party not attending this application is hereby dispensed with.

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J.C.Q.B.A.

**Schedule "B"**  
**Service List**

See attached



COURT FILE NUMBER	2001-00610
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF	CALGARY
PLAINTIFF	MCAP FINANCIAL CORPORATION
DEFENDANT	1759255 ALBERTA LTD.

**SERVICE LIST**

SERVICE RECIPIENT	RECIPIENT STATUS
1759255 Alberta Ltd. 204, 2635 – 37 Avenue NE Calgary, Alberta, T1Y 5Z6	Defendant / Respondent
Miles Davison LLP #900, 517 10 Avenue SW Calgary, AB T2R 0A8  <b>Attention: Terry Czechowskyj</b>  Email: <a href="mailto:tczech@milesdavison.com">tczech@milesdavison.com</a>	Counsel for Defendant / Respondent
MNP 1500, 640 – 5 Avenue SW Calgary, AB T2P 3G4  <b>Attention: Vanessa Allen</b>  Email: <a href="mailto:vanessa.allen@mp.ca">vanessa.allen@mp.ca</a>	
Leef Living Ltd. 204, 2635 – 37 Avenue NE Calgary, Alberta, T1Y 5Z6  Email: <a href="mailto:ben.li@leefliving.com">ben.li@leefliving.com</a>	Guarantor
Song Song Li 7107 – 26 Avenue SW Calgary, Alberta, T1Y 3X2  Email: <a href="mailto:xiaolingr@gmail.com">xiaolingr@gmail.com</a>	Guarantor
1028198 Alberta Ltd. Caron & Partners, 2120, 237-4 <sup>th</sup> Avenue SW Calgary, Alberta T2P 4K3  <b>Attention: Jarold M. Switzer</b>  Email: <a href="mailto:JSwitzer@caronpartners.com">JSwitzer@caronpartners.com</a>	Secured Party

<p>MLT Aikins 2100 Livingston Place 222 3rd Avenue SW Calgary Alberta T2P 0B4</p> <p><b>Attention: Ryan Zahara</b></p> <p>Email: <a href="mailto:rzahara@mltaikins.com">rzahara@mltaikins.com</a></p>	<p>Counsel for ATB Financial</p>
<p>Department of Justice Canada Tax Law Services - Prairie Region 510, 606 – 4 Street SW Calgary, AB T2P 1T1</p> <p><b>Attention: Jill L. Medhurst</b></p> <p>Email: <a href="mailto:jill.medhurst@justice.gc.ca">jill.medhurst@justice.gc.ca</a></p>	<p>Canadian Revenue Agency and Service Canada</p>

**Virtual Courtroom 60** has been assigned for the following matter:

Date: Nov 18, 2020 02:00 PM

Style of Cause: MCAP FINANCIAL CORP. v. 1759255 ALBERTA LTD. 2001 00610

Presiding Justice: DARIO, J

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.

4. **Note: Recording or rebroadcasting of the video is prohibited.**
  
5. **Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here: <https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers>

For more information relating to Webex protocols and procedures, please visit:  
<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>